

- (iv) To consider in a wider perspective the suggestions for revision/amendment given by Expert Groups in various Ministries/Departments with a view to coordinating and harmonising them;
- (v) To consider references made to it by Ministries/Departments in respect of legislation having bearing on the working of more than one Ministry/Department; and
- (vi) To suggest suitable measures for quick redressal of citizens grievances, in the field of law.

#### **Stock Option Scheme**

633. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India currently has permitted remittance of only US\$ 750 to Indian employees of subsidiaries of multinational companies to exercise stock options in such multinational companies;

(b) if not, the current amount permitted for this purpose;

(c) the total annual outflow of foreign exchange in connection with investments to be made by Indian companies in foreign ventures/offices; and

(d) the total annual outflow of foreign exchange in case Reserve Bank of India had permitted Indian employees of subsidiaries of multinational companies remittance facilities to exercise their stock options in full?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) Employees in India of branches/offices/wholly owned subsidiaries of foreign companies are allowed remittance of US\$ 750 in a block of five years for acquiring the shares of foreign companies.

RBI have decided to enhance the ceiling of US\$ 750/- to US\$ 10,000/- in a block of five years and extend the above remittance facility to the employees of Joint Venture Companies with majority foreign share holding, i.e. 51% and above.

(c) The total annual outflow of foreign exchange for investment made by Indian companies in joint ventures abroad is as under:—

(Amount in US\$ in million)

	Cash	Exports	Loan	Total
April 1996 to March, 1997	197.583	16.472	0.420	214.475

(d) RBI has allowed about 1500 employees of subsidiaries of multinational companies to exercise stock

option (share purchase) in such multinational companies. However, the exact amount of outflow of foreign exchange in this regard is not available as the remittance is made through various authorised dealers and options decided by the concerned employees.

#### **Textile Mills in U.P.**

634. SHRI ASHOK PRADHAN : Will the Minister of TEXTILES be pleased to state:

(a) whether several textile mills in Uttar Pradesh have been sick and are on the verge of closure;

(b) if so, the details about performance of these sick mills and the steps taken during the last three years to stabilise the functioning of these mills and to improve their standard by modernisation and the details of funds allocated for this purpose;

(c) the details of the action plan prepared for the revival of these sick units; and

(d) the number of such units which are likely to be closed down in the near future and the details of action plan formulated for the rehabilitation of workers?

THE MINISTER OF TEXTILES (SHRI R.L. JALLAPPA) : (a) Yes, Sir.

(b) and (c) Government has set up the Board for Industrial and Financial Reconstruction (BIFR) to inquire into the working of sick industrial companies and to prepare and sanction, as appropriate, schemes for revival of mills. 35 cases stand referred to the BIFR from Uttar Pradesh as on 30.9.97.

(d) The BIFR has recommended winding up order in respect of 17 cases.

The Government has established Textile Workers Rehabilitation Fund Scheme to provide interim relief to workers rendered jobless due to permanent/ partial closure of mill.

#### **Concessions for Sports**

635. SHRI SURESH KALMADI : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to grant tax concessions for sports infrastructure and sponsorships; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) At present deductions are available to the sports associations and sports personnel u/s. 10(23), 35AC, 80RR, 88 and

115BBA of the Income-tax Act. Various sports bodies have however approached the Government for further tax concessions to augment sports infrastructure and sponsorships.

#### Ratio of Advancing of Loans and Deposits

636. SHRI RAMSAGAR : Will Minister of FINANCE be pleased to state:

(a) whether the banks are not providing loans in the ratio of deposits;

(b) if so, the reasons therefor;

(c) the details of the action proposed by the Government to ensure the ratio between providing the loans and the deposits by the banks are maintained;

(d) the details of ratio between the advancing of loans and receipt of deposits during the last three years, year-wise, till date; and

(e) the effect of the above on the developmental activities of Uttar Pradesh, Haryana and Delhi?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) to (e) Reserve Bank of India (RBI) have advised commercial banks that they should achieve a credit deposit ratio (CDR) of 60 per cent in respect of their rural and semi-urban branches separately on an all India basis. Bank have also been advised that while it is not necessary that this ratio should be achieved separately branch-wise district-wise or region-wise, the banks should nevertheless ensure that while disparity in ratios between different States/Regions is avoided in order to minimise imbalances in credit deployment. The CDR of scheduled commercial banks during the last three years in Uttar Pradesh, Haryana, NCT of Delhi and also the All India average are given below:

Name of State	CDR (Percent) as on the last Friday of		
	March 1995	March 1996	March 1997
Uttar Pradesh	35.0	34.2	31.6
Haryana	46.7	46.0	42.7
Delhi	74.6	74.7	66.9
All India	59.2	61.9	57.3

The CDR in a particular State or Region, however, depends upon the credit absorption capacity of the State/Region which in turn is determined and influenced by factors such as development of infrastructural facilities like irrigation, power, rail, road transport, basic and technical education, entrepreneurship and availability of required inputs and marketing outlets for agricultural and industrial production. The RBI had set up Task Forces to ascertain the reasons for low CDR in certain States. In respect of States/Union Territories where CDR was low and at the same time, specific Task Forces were not constituted the convenor banks of State Level Bankers' Committee were advised to convene special meetings to discuss and take appropriate steps to improve the position.

#### Export of Hosiery Goods

637. DR. ARVIND SHARMA :  
SHRI NARENDRA BUDANIA :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware that there exists wide scope for promotion of export of hosiery goods;

(b) if so, the details of hosiery goods exported and foreign exchange earned therefrom during the last three years, year-wise; and

(c) the steps being taken to boost the export of hosiery goods during 1997-98?

THE MINISTER FOR TEXTILES (SHRI R.L. JALAPPA) : (a) Yes, Sir.

(b) The details of hosiery goods (knitted garments) exported during the last three years have been as follows:—

Year	Quantity (In Million Pieces)	Value (In Million US Dollar)
1994	426.0	1122.6
1995	436.7	1155.1
1996	540.2	1469.7

(c) In order to boost the exports of garments, including hosiery goods, Government have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets; fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw materials for export production; ensuring increased availability of export credit etc.